

## Office of the Secretary, HUD

## § 14.115

AUTHORITY: Sec. 504(c)(1) of the Equal Access to Justice Act (5 U.S.C. 504(c)(1); sec. 7(d) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(d)).

SOURCE: 52 FR 27126, July 17, 1987, unless otherwise noted.

### Subpart A—General Provisions

#### § 14.50 Definitions.

*Act.* The Equal Access to Justice Act, 5 U.S.C. 504, title II of Pub. L. 96-481, as amended by Pub. L. 99-80.

*Adjudicative officer.* The hearing examiner, administrative law judge, administrative judge of the HUD Board of Contract Appeals, or other officer designated by the Secretary or other responsible Department official, who presided at the adversary adjudication.

*Adversary adjudication.* (a) An adjudication under 5 U.S.C. 554 in which the position of the United States is represented by counsel or otherwise, but not including an adjudication for the purpose of establishing or fixing a rate or for the purpose of granting or renewing a license; and

(b) Appeals of decisions of contracting officers made pursuant to section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) before agency boards of contract appeals as provided in section 8 of that Act (41 U.S.C. 607).

*Agency counsel* (a) When the position of the Department is being represented, the attorney or attorneys designated by the Department's General Counsel to represent the Department in a proceeding covered by this part, and

(b) When the position of another agency of the United States is being represented, the representative as designated by that agency.

*Department.* The Department of Housing and Urban Development, or the organizational unit within the Department responsible for conducting an adversary adjudication subject to this part.

*Proceeding.* An adversary adjudication as defined above.

*Secretary.* The Secretary of Housing and Urban Development.

#### § 14.100 Time computation.

Time periods stated in this part shall be computed in accordance with the Department's rules with respect to

computation of time which apply to the underlying proceeding.

#### § 14.105 Purpose of these rules.

The Act provides for the award of attorney fees and other expenses to eligible individuals and entities who are parties to certain administrative proceedings (*adversary adjudications*) before the Department. An eligible party may receive an award when it prevails over an agency, unless the agency's position was substantially justified or special circumstances make an award unjust. The rules in this part described the parties eligible for awards and the proceedings that are covered. They also explain how to apply for awards and the procedures and standards that the Department will use to make them.

#### § 14.110 When the Act applies.

The Act applies to any adversary adjudication pending or commenced before this Department on or after August 5, 1985. It also applies to any adversary adjudication commenced on or after October 1, 1984, and finally disposed of before August 5, 1985, provided that an application for fees and expenses, as described in subpart B of these rules, has been filed with the Department no later than 30 days after August 5, 1985, and to any adversary adjudication pending on or commenced on or after October 1, 1981, in which an application for fees and other expenses was timely filed and was dismissed for lack of jurisdiction.

#### § 14.115 Proceedings covered.

(a) The proceedings to which this part applies are adversary adjudications conducted by the Department under:

(1) The Interstate Land Sales Full Disclosure Act, as amended, 15 U.S.C. 1701 *et seq.*, pursuant to 15 U.S.C. 1715 and 24 CFR part 1720;

(2) Section 602 of the Civil Rights Act of 1964, 42 U.S.C. 2000d-1, and 24 CFR parts 1 and 2;

(3) Section 505(a) of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794a, 28 CFR part 41, and any applicable HUD regulations;

(4) Section 305(a) of the Age Discrimination Act of 1975, 42 U.S.C. 6104(a), 45

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CFR part 90 and any applicable HUD regulations;

(5) Section 3 of the HUD Act of 1968, 12 U.S.C. 1701u (Employment Opportunities for Business and Lower Income Persons in Connection with Assisted Projected), and 24 CFR part 135;

(6) Debt Collection Act of 1982 (Salary Offset), 5 U.S.C. 5514, and 24 CFR 17.125-.140;

(7) Manufactured Home Construction and Safety Standards Act of 1974, 42 U.S.C. 5401 *et seq.*, and 24 CFR part 3280;

(8) Section 111 of title I of the Housing and Community Development Act of 1974, 42 U.S.C. 5311, and 24 CFR 570.913;

(9) Appeals of decisions of contracting officers made pursuant to section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) before the HUD Board of Contract Appeals as provided in section 8 of that Act (41 U.S.C. 607); or

(10) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3600-3620) and 24 CFR part 104.

(b) The Department's failure to identify a type of proceeding as an adversary adjudication shall not preclude the filing of an application by a party who believes the proceeding is covered by the Act; whether the proceeding is covered will then be an issue for resolution in proceedings on the application.

(c) If a proceeding includes both matters covered by the Act and matters specifically excluded from coverage, any award made will include only fees and expenses related to covered issues.

[52 FR 27126, July 17, 1987, as amended at 54 FR 3283, Jan. 23, 1989]

### § 14.120 Eligibility of applicants.

(a) To be eligible for an award of attorney fees and other expenses under the Act, the applicant must be a party to the adversary adjudication for which it seeks an award. The term *party* is defined in 5 U.S.C. 551(3). The applicant must show that it meets all conditions of eligibility set out in this subpart and in subpart B.

(b) The types of eligible applicants are as follows:

(1) An individual with a net worth of not more than \$2 million;

(2) The sole owner of an unincorporated business who has a net worth

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of not more than \$7 million, including both personal and business interests, and not more than 500 employees;

(3) A charitable or other tax-exempt organization described in section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. 501(c)(3), with not more than 500 employees;

(4) A cooperative association as defined in section 15(a) of the Agricultural Marketing Act, 12 U.S.C. 1141j(a), with not more than 500 employees; or

(5) Any other partnership, corporation, association, unit of local government, or organization with a net worth of not more than \$7 million and not more than 500 employees.

(c) For the purpose of eligibility, the net worth and number of employees of an applicant shall be determined as of the date the proceeding was initiated. For the purpose of eligibility of applicants before the HUD Board of Contract Appeals, the net worth and number of employees of an applicant shall be determined as of the date the applicant filed its appeal under 41 U.S.C. 606.

(d) An applicant who owns an unincorporated business will be considered as an *individual* rather than a *sole owner of an unincorporated business* if the issues on which the application prevails are related primarily to personal interests rather than to business interests.

(e) The employees of an applicant include all persons who regularly perform services for remuneration for the applicant, under the applicant's direction and control. Part-time employees shall be included on a proportional basis.

(f) The net worth and number of employees of the applicant and all of its affiliates shall be aggregated to determine eligibility. Any individual, corporation or other entity that directly or indirectly controls or owns a majority of the voting shares or other interests of the applicant, or any corporation or other entity of which the applicant directly or indirectly owns or controls a majority of the voting shares or other interest, will be considered an affiliate for purposes of this part, unless the adjudicative officer determines that such treatment would be unjust and contrary to the purposes of the Act